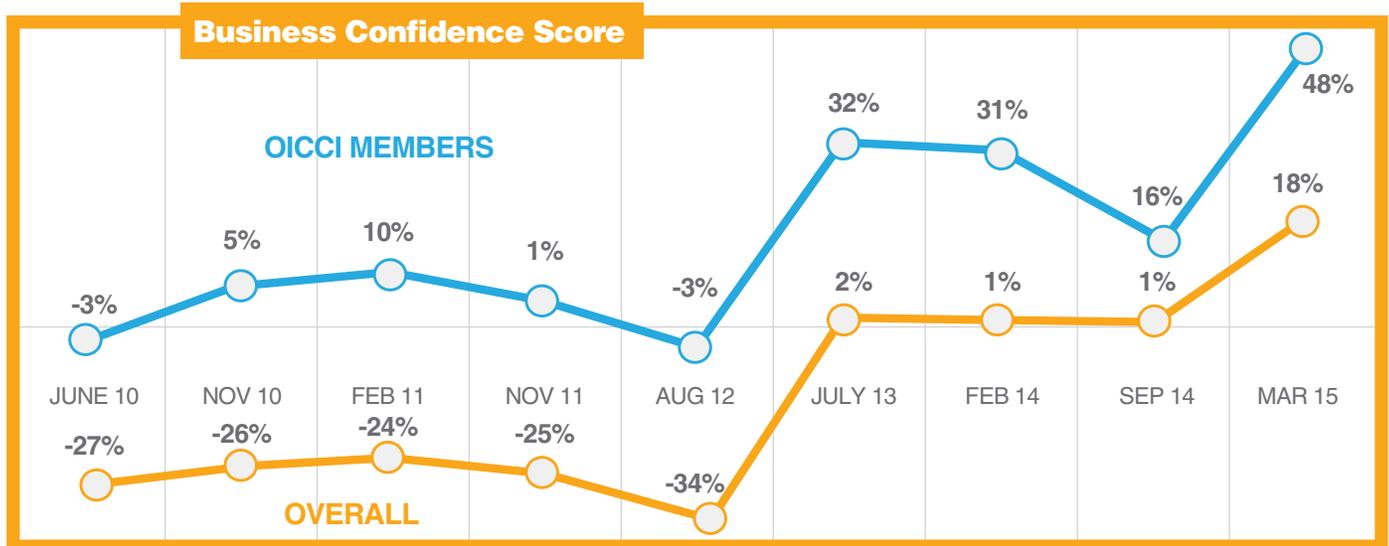


OICCI BUSINESS CONFIDENCE INDEX, WAVE-10 HIGHLIGHTS



OICCI Business Confidence Index (BCI) Survey, wave-10, conducted in March 2015, across the country, showed a BCI Index of 18% positive, significantly higher than the 1% registered in September 2014, with a strong improvement in confidence across all business segments.

The primary factors that contributed towards stronger confidence, inter alia, included a sharp reduction in cost of doing business, consequent to the reduction in fuel prices, which also contributed to lowering of inflation and bank borrowing rates, emergence of a new broader political consensus amongst key political stakeholders, expectations of large investments related to the China Pakistan Economic Corridor project, good operational results for the year 2014 announced during first quarter 2015, reduction in load shedding during the winter months, new energy projects in the pipeline and improvement in security, law & order conditions.

[Full article on page. 05](#)

OICCI CONTRIBUTION TO THE ECONOMY



CONSOLIDATED NUMBERS OF OICCI MEMBERS IN 2014

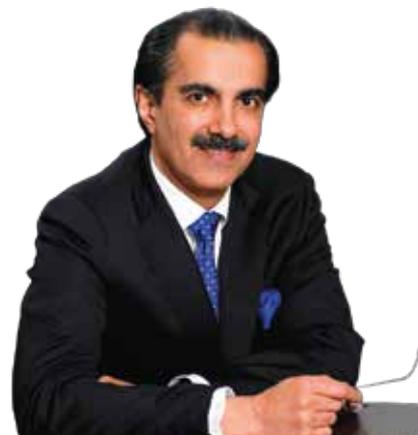
Total levies paid to federal and provincial governments
PKR 884 Billion

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PRESIDENT'S MESSAGE

“ This year’s BCI results were beyond expectations rising from positive 1% in October 2014 to the best ever result of 18% positive. ”



Dear Members,

It is indeed an honor for me to be writing to you on behalf of the Managing Committee of OICCI, the oldest business chamber in South Asia. The newly elected MC took charge from February this year and has been further strengthened by co-option of three new members as per regulations. A brief profile of all the MC members is included in this Newsletter.

I would like to reassure all the stakeholders that OICCI shall continue to strive for excellence and transparency in all walks of corporate and business affairs. The Chamber will also continue to act as a catalyst in promoting FDI in the country.

OICCI has remained proactive, once again this year, in various research and investor advocacy activities to maintain the Chamber’s position as the focal point of information for foreign investors.

The Secretary General represented the Chamber during deliberations and meetings conducted by the Tax Reforms Commission (TRC) and the Tax Advisory Council where valuable suggestions from OICCI members to streamline the tax issues and reform the system were effectively presented. Moreover, the Chamber has again emphasized on the urgent need to broaden the tax base to enhance the government’s revenue and proportionately reduce the burden on the highly taxed corporate sector represented at OICCI. The government has formed a committee to look into the matter where OICCI has been invited as a member.

The Federal Budget 2015-16 announced in early June 2015 was relatively different from the general expectation. While sound on growth initiatives with good incentives for investment in KPK and in a few selected sectors, including agriculture, it provided insufficient incentives for large investments, including FDI. In fact there were a few new proposals in the Budget which will negatively impact a large number of OICCI

members. These issues were immediately taken up with the Finance Minister and the FBR Chairman, and some of our concerns, including those related to incentives under section 65 of the IT Ordinance and tax on reserves in excess of 100% of a company’s paid up capital have been fully or partially addressed in the Finance Act 2015 passed by Parliament.

OICCI has in the past six months also highlighted the potential impact on investment, especially FDI, of Pakistan’s deteriorating rating in the World Bank’s “Ease of Doing Business” surveys. Governments around the world are competing for business investment, which tend to flow to places where there is greater certainty to the business and political climate and where there are limited political and regulatory barriers. We are pleased that the Minister of Finance, recognizing the significance of EODB ratings, has, in May 2015, formed a special committee, led by a private sector representative, and which, includes OICCI as a member, to suggest a way forward on this issue.

OICCI has requested its members for suggestions for improving EODB rating for Pakistan through removal of bottlenecks in various legislative areas. We look forward to positive contribution from members on this important matter that has serious implications on the foreign investment flow.

I am sure that you have had time to study the results of our latest, wave 10, Business Confidence Index, (BCI) survey released in May this year. The survey is broad based and covers approximately 80% of the GDP and is based on face to face interviews of various segments of the business community in eight key business centres of Pakistan. This year’s BCI results were beyond expectations rising from positive 1% in October 2014 to the best ever result of 18% positive.

The highlights of the survey were shared with all the members and are also available

on the OICCI website. The significant improvement in the Business Confidence score was led by the retail sector, which recorded improvement in sentiment by 26% followed by the Services sector at 24%. Confidence level of the OICCI members participating in the survey was also bullish rising from 16% in September 2014 to 48% in wave 10. We have shared the findings of this survey with key government leaders, both at the federal and provincial levels, hoping that this will form the basis for more robust, business friendly policies and actions to augment Pakistan’s economic growth.

The Chamber has played the role of a business ambassador of the country by continuing to project Pakistan and the opportunities and incentives it offers to a host of foreign trade and business delegations. During the first half of 2015, a number of delegations visited the OICCI to discuss the potential avenues for investment in the country. Details of these visits and other Chamber activities are available on the OICCI website.

OICCI will continue to try and address issues that affect the business community and actively engage with key stakeholders including federal and provincial governments, foreign delegations, policy makers and opinion leaders to recommend sound and effective policies that provide a conducive business environment, which attracts investments and fosters economic development.

I am confident that this will be another great year for the Chamber and wish all members great success in 2015.

Regards

Atif Bajwa

OVERVIEW BY SECRETARY GENERAL

“ You may be pleased to note that the recent feedback from our members on the security situation in the country, is by and large quite positive. ”



Welcome to the June 2015 issue of the OICCI Newsletter. We invite you to review in detail the update being given in this Newsletter on important issues of interest to members, including on Taxation. I will share with you a brief overview of the significant activities of your chamber during the past six months. All in all, this was quite a productive period, especially in terms of engagements with senior government authorities.

With the induction of three co-opted members in May, 2015, the Managing Committee is now at full strength and the nine subcommittees, formed for the 2015 term, have already got into stride and taken initiatives to, inter alia, further increase the advocacy role of the OICCI on matters of interest to existing and potential foreign investors.

The Chamber released the results of the wave-10 of Business Confidence Index (BCI) Survey, in May 2015. The survey results, at 18%, were highly positive and bode well for improving business environment in the country. The relatively improving security situation, especially in Karachi, stability in political environment, together with reduced cost of fuel and borrowing rates, and inflation at record low level, were some of the key factors leading towards a highly improved BCI score. What was more encouraging was the fact that OICCI members participating in this BCI were more bullish than the rest of the business community. This subject is covered in more detail elsewhere in the newsletter and also on our website: www.oicci.org.

OICCI was, once again, the first Chamber to submit comprehensive taxation proposals to FBR/MoF covering over 100 wide-ranging recommendation to the FBR for incorporation in the 2015-16 Budget. OICCI Budget proposals 2015-16, incorporating taxation proposals from members, covered workable recommendations for documentation of the economy, broadening of the tax base,

incentives to accelerate FDI, streamlining the tax refund issue, removal of anomalies and simplification in the taxation structure. We also submitted various business sector specific issues to FBR. Subsequently taxation proposals were also submitted to the Sindh and Punjab provincial governments.

OICCI was also actively involved as a member of the Tax Reforms Commission (TRC) and the Tax Advisory Committee (TAC) formed by the Minister of Finance (MoF). OICCI is keenly looking forward to the next stage of seeing the implementation of the final TRC recommendations, in order to facilitate investment and economic growth, besides helping to improve Pakistan's rating in the World Bank's Ease of Doing Business (EODB) indicators.

The Budget 2015-16 proposals presented in Parliament provide hardly any incentives to attract large FDI and very limited measures have been announced for the much needed broadening of the tax base. Based on strong feedback from key stakeholders, like OICCI, parliamentarians and other trade bodies, the government has made a few changes in the Budget and the Finance Act 2015 passed by Parliament, inter alia, addresses some of the concerns raised by OICCI, including extension of time period and additional tax credit related to incentives under section 65 of the IT Ordinance and tax on reserves in excess of 100% of a company's paid up capital.

As regards the provincial taxation proposals, OICCI had a very positive interaction with the Chairman of Sindh Revenue Board, (SRB) and Punjab Revenue Authority (PRA) respectively. We are happy that the general sales tax rate on services, as well as sales tax on telecom services has been reduced in Sindh, whereas in Punjab sales tax on internet data has been withdrawn. Reduction in sales tax rates on services was one of our main recommendations.

We are very concerned with declining level of FDI in the country, which for the current fiscal year, July 2014 to May 2015, at USD 803.2 million is about half the level of last year, which in itself was less than one percent of GDP of the country. This together with continuously declining rating of Pakistan in the EODB annual survey was highlighted during our interaction with the Minister of Finance. We are looking forward to participate in a committee formed by the MoF to recommend measures to improve on EODB matters. OICCI is also actively pursuing on matters relating to protection of Intellectual Property Rights (IPR) in Pakistan. OICCI, being a member of IPOP Policy Board, the regulatory body on IPR, is assisting, at various forums, in educating the key stakeholders in the society on the importance of protecting copyrights, trademarks and patents to attract FDI in the country.

You may be pleased to note that the recent feedback from our members on the security situation in the country, is by and large quite positive. Part of the security survey report conducted in May-June 2015 is given in this newsletter.

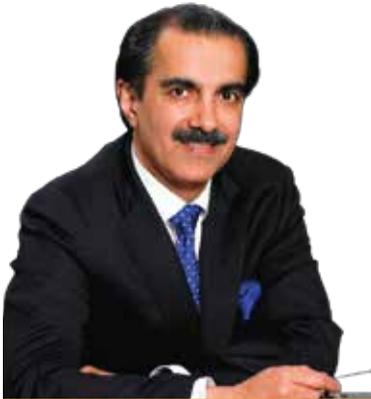
Going forward it is our expectation that the government functionaries, including those in the provinces, will increasingly focus on good governance, strict implementation of policies, and more engagement with the stakeholders to achieve an accelerated level of economic and FDI growth. We also look forward to more intense involvement of our members and key stakeholders in the chamber matters, so as to help create an enabling and FDI friendly environment.

We wish great success for the rest of the year and beyond to all OICCI members and readers.

Regards

M. Abdul Aleem

MANAGING COMMITTEE MEMBERS 2015



PRESIDENT

Atif Bajwa
President & Chief Executive Officer
Bank Alfalah Limited



VICE PRESIDENT

Khalid Siraj Subhani
President & Chief Executive Officer
Engro Polymer and Chemicals Limited



SECRETARY GENERAL

M. Abdul Aleem
CE/Secretary General
Overseas Investors Chamber of
Commerce and Industry

MEMBERS



Aftab Husain
Managing Director & Chief
Executive Officer
Pakistan Refinery Limited



Arshad Saeed Husain
Managing Director & Chief
Executive Officer
Abbott Laboratories Pakistan
Limited



Khalid Mansoor
Chief Executive Officer
Hub Power Company Limited



Michael Patrick Foley
Chief Executive Officer
Telenor Pakistan (Private) Limited



Nadeem Lodhi
Managing Director & Chief
Executive Officer
Citibank N. A.



Nauman Ansari
President & Chief
Executive Officer
Faysal Bank Limited



Omar Y. Sheikh
Chairman and
Managing Director
Shell Pakistan Limited



Sarim Sheikh
President & Chief Executive Officer
General Electric International
Operations Company Inc.



Shahab Rizvi
Country President &
Chief Executive Officer
Novartis Pharma
(Pakistan) Limited



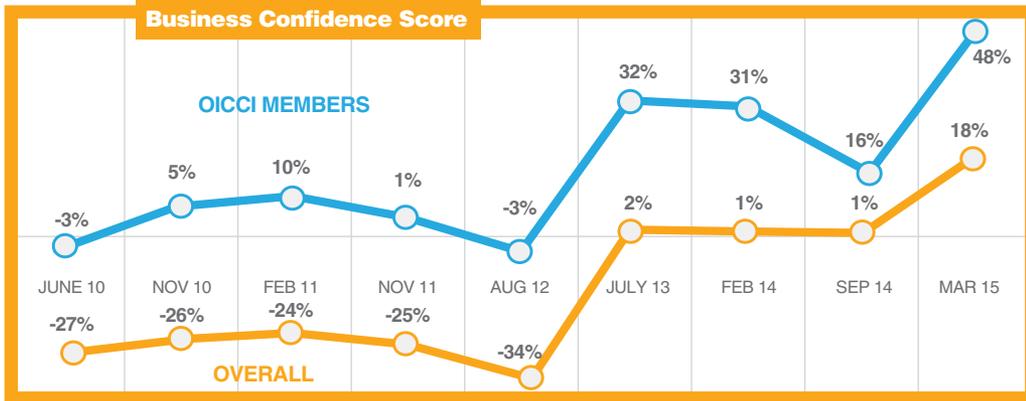
Syed Farukh Mazhar
Managing Director & Chief
Executive Officer
SGS Pakistan (Private) Limited



Zehra Naqvi
Chief Executive Officer
ACE Insurance Limited

195 OICCI
Members

50 Members are
Associates of
2014 Global
Fortune 500
Companies



Business confidence in positive territory

The confidence level of OICCI members participating in the BCI also showed a significant growth from 16% in September 2014 to 48% in the latest wave-10 survey.

OICCI BUSINESS CONFIDENCE INDEX, WAVE-10 HIGHLIGHTS

OICCI Business Confidence Index (BCI) Survey, wave-10, conducted in March 2015, across the country, showed a BCI Index of 18% positive, significantly higher than the 1% registered in September 2014, with a strong improvement in confidence across all business segments.

The primary factors that contributed towards stronger confidence, inter alia, included a sharp reduction in cost of doing business, consequent to the reduction in fuel prices, which also contributed to lowering of inflation and bank borrowing rates, emergence of a new broader political consensus amongst key political stakeholders, expectations of large investments related to the China Pakistan Economic Corridor project, good operational results for the year 2014 announced during first quarter 2015, reduction in load shedding during the winter months, new energy projects in the pipeline and improvement in

security, law & order conditions.

As mentioned above, the improvement in the business confidence was witnessed across all business segments.

- The Retail sector was the most bullish moving from -11% in wave-9 to +15%, in the latest poll, thus recording the highest increase of 26% in confidence mainly driven by higher household consumption and up tick in business activities as a direct result of lower inflation.
- The overall score was also largely boosted by the pickup in confidence of the Services industry, which was recorded at 31% in March 2015 vs. 7% in September 2014.
- The business confidence of manufacturing sector increased to 11% in March 2015 from positive 5% in September, depicting a move back to an expansionary cycle.
- New sales order index witnessed a significant improvement – with a score

of 39% in March vs. 5% in the last survey.

- New jobs index also improved with 16% business reporting new hiring's over the next 6 months vs. 8% in the previous survey.
- New Investment index was also encouraging with a score of +6% vs. -5% in the last survey.

The overall business confidence is very positive and offers an excellent opportunity to the authorities, who must ensure this business confidence is sustained and translates into fresh investments creating new jobs, implementation of a more business friendly tax regime, an effective energy policy which substantially increases supply of uninterrupted energy to industry, business and households and further improvement of the law & order situation.

Future Business Outlook

Another focus of this BCI, wave-10, was to gauge the investment appetite of the respondents. Responses indicated that the economy is in an expansionary mode with 43% respondents expecting their business to expand in the next six months as compared to only 30% in the previous survey. However, only 29% of the respondents have plans for capital investment to expand capacity, while the remaining 71% have no plan for expansion. When questioned to share reasons for not expanding, the energy constraints, weak external demand, security concern and government policy were cited as challenges for growth outlook.



KEY OICCI TAXATION PROPOSALS, FOR BUDGET 2015-2016

The OICCI submitted comprehensive taxation proposals to the Federal Board of Revenue on March 27, 2015 for consideration in the Budget for 2015-16. A number of these proposals were also included in the comprehensive proposals of the Tax Reforms Commission (TRC), where OICCI was also represented through its Secretary General, who took up a number of these proposals in the meetings of the Tax Advisory Council and with the FBR Chairman and FBR members also.

OICCI taxation proposals focused on creating a level playing field for all income earning segments of the economy and were divided into specific proposals and structural/ procedural reforms

SPECIFIC PROPOSALS

Tax policies, which lead to longer term investment plans should be suitably protected to ensure a 5 year phasing out period so that investors could base their plans on policies which are consistent and predictable.

1. Corporate and Sales Tax rates

- Sales Tax rates should be reduced in line with the regional countries.
- Government should stay on course for the proposed reduction of corporate tax rate (CTR) to 30% by 2017-18, and further reduce it as per rates in regional countries.

2. Delay in processing of outstanding tax refunds

- Time Frame for scrutiny of Sales Tax refunds should be legally reduced to 30 days. Fast track refund rules must be ensured in true spirit and assessing officers should not reject the refund claims without fully examining the documentary evidences provided by

the claimant.

- All current refunds should be released against a bank guarantee before 30 June 2015, followed by an audit of those refunds by company auditors or one of the top five accounting firms. The part of refund claim which auditors do not accept should be adjusted against the bank guarantee and the audit reports should be construed as an appealable order.
- Income Tax Refunds should be given within 30 days by issuing PIB's.
- Inter adjustment of Income tax and Sales tax refunds should be made part of the law.
- 3. **Review of Alternate Corporate Tax (Act) and Minimum Tax Regimes (MTR)**
 - There should be only two tax regimes for companies assessed under Large Taxpayers Units (LTU) or those registered under Sales Tax Act. The normal tax regime based on Taxable income or under the ACT mechanism. The assessee should be given the option to opt for one of the two regimes. The option taken should then be made binding for 5 years.
 - Minimum Tax Regime (MTR), should not be applicable for such companies. As a transition measure, before acceptance of the proposed full withdrawal of the minimum tax regime, one of the following two options may be introduced:
 - i. Minimum tax should be levied on gross profits instead of turnover.
 - ii. Rate of minimum tax should be reduced to 0.2%, on companies with thin margins:
 - Without prejudice to the above, the MTR should not be applicable for certain specialized sectors with high turnover and low margins like Oil Marketing and Refineries, LNG Terminal Operators and Large Chemical Companies where the application of MTR is resulting in an effective tax rate of over 50%.
- 4. **Revamping of withholding tax regime**

Heavy reliance on withholding taxes is affecting the enforcement capabilities of FBR administration – which can be noted from the fact that around 85% of

tax collections is through the withholding tax regime and only 15% is through enforcement measures – and warrants a review.

- Companies registered in LTU or listed on the KSE should be exempt from withholding Income tax under section 148 and 153. Alternatively, withholding income tax rates on import of raw materials & capital goods should be reduced to 1%, to encourage enlargement of the manufacturing base.
- Access should be given to the tax payer for online verification of their tax deductions challans by using their respective IRIS identity. Only FBR has this access in the current 'Verisys' system,. NADRA has also provided a similar facility for verification of CNIC. This self-verification model will reduce the hardship and improve the compliance as tax challans will then be available to the taxpayers on real time basis.
- Withholding sales tax on payments to registered persons falling under Large Taxpayers Unit should be exempted, as was applicable earlier.
- 5. **Incentive for investment be made more attractive**

Incentives for new investments need to be reviewed for attracting large new investments.

 - Credit under section 65A should be increased to 5% and should be available to all tax payers. Furthermore, tax credit should also be extended to those companies whose 90% purchases are from registered sales tax persons.
 - In order to curb the menace of flying invoices and inadmissible claim of input tax, electronic invoicing should be encouraged and a rebate of 5% should be given to companies which are issuing invoices electronically, in compliance of chapter XIV of sales tax rules, 2006.
 - Tax credit under Section 65B(1) should be extended till June 30, 2018, increased to 20% of amount invested in BMR and the unabsorbed tax credit should be allowed to be carried forward for 5 years
 - Tax credit under Section 65C @15%

should be given for at least 3 tax years from the year of listing.

- Tax credit under Section 65 D should be extended to industrial undertaking setup till June 30, 2018.
- Tax credit under section 65 E should be extended to installation of plant and machinery till June 30, 2018.
- To attract new FDI, upfront levy of withholding Income and Sales Tax at import stage on plant and machinery should be exempted for new foreign investment in critical sectors of energy, infrastructure facilities, oil and gas exploration, etc.

6. Identifying new potential taxpayers

- The performance of the tax collectors should not be judged solely on the basis of tax collected, but their efforts in identifying new taxpayers should be appreciated and rewarded.
- FBR and SBP should jointly engage with the senior hierarchy of financial institutions and representatives of leading business chambers, like the OICCI, to make a secure and safe framework to ensure all customers of financial institutions whose account shows turnover in excess of PKR one million during the year, have filed a tax return and wealth statement. This could be done by the financial institutions by simply notifying the names and CNIC numbers of their customers to the FBR without giving access to bank accounts to any FBR official.
- Section 111(4) of the IT Ordinance should be amended to restrict tax free inward foreign remittances to immediate family members only and their names notified to the banks at the start of the year.
- Registration of retail outlets and electronic cash registers should be made mandatory at all retail outlets without any turnover thresholds.
- The FBR Directorate of "Broadening the Tax Base" should include economists and MBA's from the country's leading business schools, to ensure tax collections reflect size of the economy and investments made in all business sectors, including real estate, within and outside the country.

7. De-notification of services under Federal Sales Tax Act

FBR should immediately de-notify the services which are now chargeable under the provincial legislation after the 18th constitutional amendment.

8. Review of salary slabs

The upper tax slab rates of salaried persons which is currently at 30% should be reduced to at least 25% – either in one go or in phases of 1.25 % annually over the next four years.

STRUCTURAL/ PROCEDURAL REFORMS

All possible actions resulting in "Ease of Doing Business" should be taken to ensure improvement of foreign investors' perception of Pakistan taxation environment

1. Tax broadening and documentation measures

- Broadening of tax base through appropriate legislation to ensure that all income earners pay taxes equitably, including on income from agriculture related activities and all kinds of government and banks saving schemes.
- All income earners, without exception of any sector, including from agriculture activities, should get themselves registered and obtain proper NTN. Tax authorities should ensure that all NTN holders file annual income tax / wealth returns and wealth reconciliation statements.
- The culture of Amnesty Schemes should be completely eliminated as it discourages the honest tax payers. Severe, and visible, penalties should be enacted in the law to punish tax evaders.
- Regular coordination should be done with relevant authorities of countries, considered as tax havens for stashing away illegal wealth, for information sharing.
- Appropriate laws should be made to enable the government to seize local assets, in equivalent value, or levy appropriate taxes, if any person holds any kind of assets outside the country for which source of income could not be established.
- 'The Protection of Economic Reforms Act', 1992 should be amended appropriately to curb the practice of remitting undeclared income through unofficial channels outside Pakistan and the same being brought into Pakistan through banking channels in Foreign Exchange, thereby "whitening" the unexplained money at a minimal cost.

2. Coordination between Federal and Provincial Legislations

- One revenue body should be formed to ensure removal of all anomalies/ conflicts between the laws of the different revenue boards. This is an immediate need to facilitate the tax payers and help improve the poor rating on tax matters in the 'World Bank – Ease of Doing Business (EODB) survey'.
- One tax collecting agency for all federal, provincial, and local taxes be nominated to enable foreign investors to deal with one authority only instead of dealing with several revenue bodies.

3. Review of VAT mode of indirect taxation

The current Sales tax regime of VAT mode should be reviewed and increase enforcement is not possible it should be overhauled, to eliminate corruption and the negative financial impact on businesses due to delay in refunds and provide level playing field to the organized sector. This appears to be one of the most serious concerns for honest tax payers and giving Pakistan very poor rating in EODB survey.

- Sales tax should be levied in non-VAT mode with a maximum rate of 4%, and input tax adjustment provision withdrawn, without compromising on documentation of the economy and revenue collection. In this scenario there will be no need for Sales Tax refunds.

The above proposed change could be done in phases, by introducing it in two to four business sectors at a time, for smooth transition.

4. Tax policies and reforms

Existing workings of the three LTUs should be reviewed along with representatives from the ten largest tax payers and appropriate corrections made in the workings and structure of the LTUs to ensure it is functioning according to the original concept conceived when the LTUs were established in the 1990's.

5. Structural reforms In Customs

- A thorough review of the custom regime should be done to take into account issues of counterfeiting, smuggling, rationalization of duty structure and fixing of import Tariff prices.
- This should be done in consultation with brand owners.

- Unauthorized imports should be curbed by bringing at least three OICCI members representing the brand owners on the policy board of valuation, to enable verification of data on country of origin through local affiliates and ensure compliance of Intellectual Property Rights (IPR) laws in Pakistan.
- Review and revamp the Afghan transit trade (ATT) agreement with Afghanistan: In addition to recent introduction of structural checks to ensure transparency in the ATT, a sustainable solution in the interest of Pakistan could be developed if the following points are included in the ATT:
 - Agreeing quantitative limits based on genuine Afghan needs based on the size of the population,
 - Harmonizing duty and tax rates to remove the incentive for evasion and
 - Establishing a basis of collecting the levies, at the point of entry into Pakistan for the account of the Afghanistan Government.
 - All three steps are necessary, otherwise quantitative limits will result in Afghanistan importers re-routing imports from Iran instead of Pakistan, collection of taxes in Pakistan without harmonization of rates will also result in

smugglers bypassing Pakistan ports and without harmonization, the incentive to evade taxes in Pakistan will continue.

6. Simple and technology based tax structure

Administration of the taxation system should be simplified and made consistent based on the use of state of the art latest technology which will eliminate inefficiency and corruption. A separate cell be established in FBR to tackle this and other actions required to improve the dismal rating of Taxation process in the EODB survey.

7. Research and Analysis Wing

An independent 'Research and Analysis Unit' should be formed in the FBR headed by a Member reporting to the Chairman and include representatives from leading business Chambers and resourced with competent professionals to guide the revenue collection from all sectors in proportion to their earning potential.

8. Restructuring of FBR as an independent governing body

FBR should be made an autonomous body on similar lines as State Bank of Pakistan and Internal Revenue Services (IRS) of United States. FBR and all revenue authorities be subject to independent audit by international

experts to protect privacy of data and develop international norms.

9. Timing of Budget

- Adequate time, minimum 3 weeks, should be given to the taxpayer before implementation of amendments in the annual Federal/provincial budgets to ensure.
- Prices of stocks in supply chain need to be appropriately adjusted.
- All entities have automated systems which need to be updated to incorporate the amendments.

10. Administrative reforms

There is a need to revert back to the old system whereby the Accountant Member of the Appellate Tribunal was appointed by FBR and such officers were not called back by FBR in the field formation. Due to recent amendments in law, officers with 3 years of experience of working as Commissioners are being posted as Accountant Members and returning to FBR field formation. This is affecting the independence of the Accountant Members of the Tribunal and is reflected in the judgments as well.

For complete details of the OICCI taxation proposals submitted to FBR please visit the website www.oicci.org.

OICCI PROPOSALS INCORPORATED IN THE FINANCE ACT 2015

We have noted that the following OICCI Taxation Proposals submitted to the FBR, have been fully or partially included in the Finance Act 2015:

1. Corporate Tax Rates

Corporate tax rate further reduced by 1%, to 32%, and assurances have again been given for further reductions by 1% each year to eventually bring it to 30% by 2017-18. (However, the reduced corporate tax rate is not applicable to the banking sector, which will continue to be taxed at 35%)

2. Providing Relief To Salaried Individual

Rate of tax on salaried tax payers earning taxable income in excess of PKR 400,000 but less than PKR 500,000 proposed to be reduced from 5% to 2%.

3. Rate of tax of non-salaried individual tax payers and Association of Persons reduced from 10% to 7% in respect of the above amount.

4. Some sectors given exemption/relief under section 113, Minimum Tax Regime

- Minimum tax imposed on builders has been suspended for three years till June 30, 2018.

- Exemption also given for 3 years to new industrial undertakings engaged in setting up and operating cold chain facilities, and setting up and operating warehousing facilities for storage of agriculture produce.
- Exemption to companies who setup halal meat production plant and obtain halal meat certification by December 31, 2016 will be eligible for exemption from minimum tax under section 113.
- Exemption for a period of 10 years energy transmission line project, provided it is setup after July 1, 2015.
- Exemption of profit and gains derived by LNG Terminal Operators and Terminal Owners for a period of 5

years after commencement of commercial operations. They are also eligible for exemption from minimum tax under section 113.

5. Advance Tax under Section 147:

Rate of default surcharge for failure to pay tax collected or deducted has been reduced from 18% to 12%.

6. Withholding Taxes

- Commissioner empowered to issue reduced/nil withholding tax certificate to a permanent establishment of a non-resident person.
- Withholding tax rate of 10% is proposed on payment to resident persons, on account of renting out of machinery and for use or right to use commercial, scientific or industrial equipment and it will be treated as final tax liability.

7. Toll manufacturing service

Toll manufacturing service has been added in the definition of 'supply' confirming chargeability of Federal sales tax on such service. This may address the issue of current double taxation of toll manufacturing services both in Federation and provinces.

8. Enlistment credit

Tax credit for enlistment on any registered stock exchange is being enhanced from 15% to 20% for the year of enlistment.

9. Tax broadening measures

Measures for broadening of tax base include introduction of different advance tax / sales tax slabs for tax filers and non-tax filers, thus putting pressure on the non-filer to become a part of the tax net. The Finance Bill also includes proposals to increase cost of doing business for non-filers of income tax.

- Computerized National Identity Card of an individual to be used as National Tax Number for tax year 2015 and onwards.
- In case of non-filers, adjustable advance tax is proposed to be collected on all banking instruments and all modes of transfer of funds through banks at the rate of 0.6% of the amount of transaction. This tax collection is not applicable to Pakistan "Real-time Interbank Settlement Mechanism" transactions and payments made for Federal, Provincial or Local Government taxes or where transaction in a day is equal to or less than PKR 50,000.

- The Bill proposes to empower the Federal Government to enter into bilateral or multilateral agreements with provincial governments or with governments of foreign countries for the exchange of information including electronic exchange of information.
- Rate of further Sales tax on supplies to persons who have not obtained registration has been increased from 1% to 2%. Rationale of such enhancement appears to further penalize the unregistered business entities.
- FBR has been empowered to prescribe prize schemes to encourage the general public to make purchases only from registered persons issuing tax invoices
- Award will be granted to Whistle blowers providing information for detection of cases involving concealment or evasion of duties and taxes. Amendments made on the following tax laws for this purpose:
 - i. Income Tax Ordinance, 2001
 - ii. Sales Tax Act, 1960 and
 - iii. Federal Excise Act, 2005

10. Incentive for new FDI

- Tax exemption proposed for Electricity Transmission Projects, for a period of 10 years that are set up before June 2018.
- Exemption for 5 years in respect of profits and gains derived by an industrial undertaking engaged in the manufacturing of equipment, plant and items required to produce solar and wind energy.

11. Tax Credit for industrial undertaking established before July 1, 2011 (Section 65E)

Tax credit for investment in purchase and installation of plant and machinery for an industrial undertaking established before July 1, 2011, with 100% new equity raised through issuance of new shares, has been enhanced from 4 to 5 years.

12. Tax Credit for Employment Generation

A tax credit has been introduced for companies to encourage employment generation. Under this provision, any company engaged in manufacturing formed between July 1, 2015 to June 30, 2018 shall be allowed a tax credit of 1% of tax payable for every 50 employees

registered with EOBI and social security schemes. The maximum tax credit shall, however, not exceed 10% of the tax payable.

POST BUDGET: OICCI CONCERNS ADDRESSED IN THE FINANCE ACT 2015

The following matters which were taken up by OICCI immediately after the announcement of the Federal Budget, were, inter alia, incorporated in the Finance Act 2015 passed by Parliament.

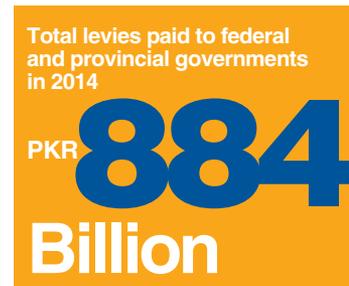
1. Tax credit period under section 65B has been extended up to June 30, 2016.

2. Tax on undistributed reserves under section 5A

The proposals included in the Budget to impose a 10% tax reserves in excess of 100% of the paid-up capital of every public company other than a scheduled bank or a modaraba, has now been substantially changed and this will not be applicable on:

- i. any public company which distributes profit equal to either forty per cent of its after tax profits or fifty per cent of its paid up capital, whichever is less, within six months of the end of the tax year;
- ii. any company qualifying for exemption under clause (132) of Part I of the Second Schedule; and
- iii. any company in which not less than fifty percent shares are held by the Government.

3. Reduction of Corporate tax rate by 1% each year to eventually bring it to 30% by 2017-18 has now been made part of the law.



OICCI PROVINCIAL TAXATION PROPOSALS, FOR BUDGET 2015-2016

Taxation proposals were submitted to the provincial authorities of Sindh and Punjab for consideration in their respective Provincial Budgets for 2015-16. These were discussed in detail with the Sindh Revenue Board Chairman, Mr. Tashfeen Khalid Niaz and Punjab Revenue Authority Chairman, Dr. Raheel Ahmad Siddiqui and their senior team members during their visits to OICCI on May 5 and 6, 2015, respectively. The summary of the proposals are as follows:

1. Integration of all revenue collections

The present division of revenue collections should be under one Ministry/Body.

2. Tax broadening measures

- Tax should be levied on all kinds of incomes, including agricultural, on an equitable income based system
- Withholding tax should be introduced on agriculture related income.
- Link and interface with the National Tax Number should be introduced.
- Definition of agricultural activity should be broadened.
- Rent income for the use of agricultural land should be taxed.

3. Coordination between all the provincial sales tax authorities

- All the revenue boards should agree on jurisdictions and common rules of 'origin' and 'consumption' on services and claim of input taxes should be clarified, including basis of apportionment of revenues.

4. Reduction in sales tax rate

- The reduction in Sales tax on services by 1% last year, in province Sindh should be continued and Punjab should also reduce Tax rate to 12.5%, and should further be gradually reduced to 10% over the next three years for registered entities, whilst the current rate should be maintained for unregistered entities.
- Telephone usage sales tax rate of 19.5%, should be made equivalent to General Sales Tax rate, in order to harmonize all sales tax rates.

5. Clarity on scope of taxable services

- The description of services listed

under Second Schedule should be precise and clear so that over-lapping situation/ interpretational issues do not arise. [For e.g. services under PCT headings: 'Services provided and rendered by persons engaged in contractual execution of work or furnishing supplies' (9809.0000) and 'contractors of building, roads and bridges, electrical and mechanical works, horticultural works, multi-discipline works and similar other works' (9814.2000)].

6. Exemption/reduction to withholding agents from deducting sales tax from payments to unregistered persons

- Withholding agents should be exempted from deducting Sales Tax from payments to unregistered persons.
- OR; Sales Tax @1% be deducted from payments to un-registered persons.

7. Admissibility of input sales tax

- Section 18 of Sindh Sales Tax and Section 19, Chapter III of Punjab Sales Tax Act, 2012 should be suitably amended to exclude the taxpayers falling under Large Tax Payers Unit who are already subject to greater scrutiny and tax audits.

8. Admissibility of input sales tax on goods

- The Rules should be amended and claim of input tax should be allowed to save the tax payer from extra burden of cost.

9. Introduction of zero-rating

- A separate schedule should be inserted in Provincial Sales Taxes Act for zero rating and exempt services.
- Services received by pharmaceutical industry should be zero rated.
- The revenue received by long distance international license holders on incoming international calls should be classified as zero rated services. This will result in harmonization of tax laws in Pakistan and would ensure convenient compliance with tax laws through uniform systems across the country.

- Data services should be zero rated in Province of Sindh

10. Sales Tax on royalty/technical fee for franchise relationship

- Franchise fee should be brought in VAT regime so that it can be adjusted against output tax liability. Further, a suitable process should be made for claiming input tax from a non-resident.

11. Use of technical knowhow/information for manufacturing to be deleted from the definition of "Franchise Services"

- Use of product knowledge, technical know-how/ information for manufacturing should not be included in the definition of "Franchise Services".

12. FED on franchise services - second schedule

- The rate of FED in Punjab should be aligned with that of other regions.

13. Threshold for exemptions

- Clarity needed whether the threshold of Rs.50 million is applicable on the service providers engaged in contractual execution of work on the basis of the contract entered into with the withholding agent or on the basis of total revenue of the contractor during the financial year involving various contracts.

14. Claim of input tax

- Claim/adjustment period of input tax should be increased to six months and adjustment should be allowed on payable basis rather than paid basis i.e. in line with the mechanism adopted by FBR.

15. Common sales tax return filing portal

- This would save operational cost of taxpayer as well as better visibility for federal and provincial tax authorities.

16. Provincial sales tax on 'Toll Manufacturing':

- "Toll manufacturing" should be deleted from the list of services as it is included in Federal Sales Tax Act 1990.

17. Party-wise break-up of output tax

- [SRO 530(I)/2008 dated June 11, 2008] - Exemption should be

provided to utility companies to submit monthly customer wise sales summaries since so much detail is not practically possible to be uploaded on SRB Web portal.

18. Suspension of sales tax on transportation of goods services

- Services of transportation of goods should be removed from Second Schedule of Sind Sales Tax on Serves Act 2011.

19. Imposition of fixed sales tax

- The concept of fixed sales tax should be abolished as this increases the overall cost of business

20. Admissibility of input sales tax on advertisement

- Rule 13(2) of Punjab Sales Tax should be abolished from the withholding Rules by giving the legal right to claim of input tax to service provider in respect of advertisement services.

21. Definition of Registered Person is not concrete in Punjab Sales Tax Act

- Definition proposed as, "registered person" means a person who is registered under this Act or any other person or class of persons notified by the Board in the official Gazette.

22. Input of sales tax should be allowed fully under Punjab Sales Tax Act.

- Input tax claim should be allowed, on the basis of gross sales tax paid in proportion of taxable services provided, including the capital goods as work in process.

OICCI RECOMMENDATIONS INCORPORATED IN THE PROVINCIAL BUDGETS 2015-2016

SINDH SALES TAX ON SERVICES Reduction in general rate of Sales Tax:

In the Sindh Finance Bill, 2015 existing general sales rate has been reduced from 15% to 14% for all services.

Reduction in sales tax rate on telecommunication services from 19.5% to 18%, However, for Services taxable at reduced sales tax rate the rate has been increased from 5% to 6%);

PUNJAB SALES TAX ON SERVICES Tax Broadening Measures

Whistle blowers: A new concept of 'whistle blower' is proposed to be introduced in the Sales Tax Act. This will empower the PRA to reward persons, in addition to its officers, who provide information regarding concealment or evasion of tax or tax fraud.

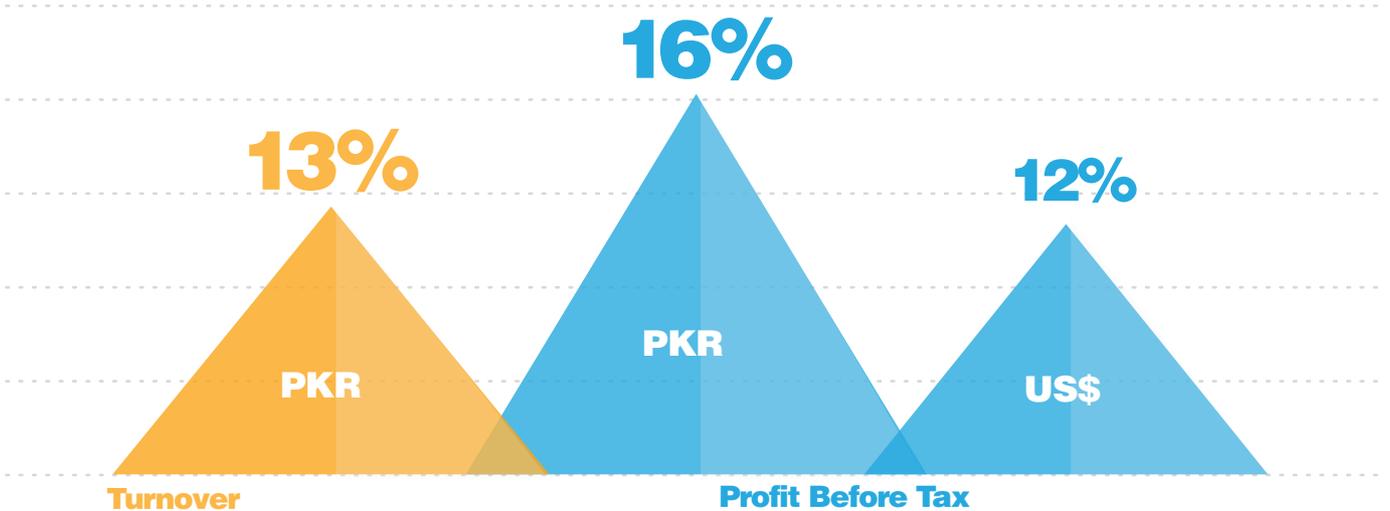
Continuity of sales tax exemption on internet services: The notification dated May 28, 2015, imposing 19.5% tax on all kinds of internet usage for users whose monthly bill exceeds Rs 1,500 or if the broadband speed is more than 2Mbps, has been withdrawn.

OICCI MEMBERS FINANCIAL PERFORMANCE 2009-2014 (LISTED COMPANIES ONLY)

COMPOUND ANNUAL GROWTH RATE 2009-2014

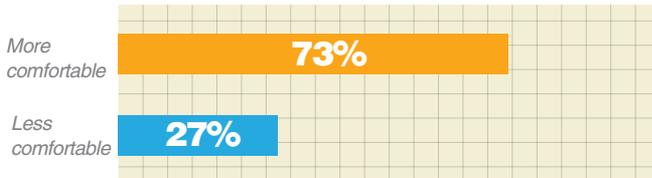
Result of the survey done internally to measure the growth in turnover and profit over the period 2009-2014 of 57 OICCI member companies listed on the Karachi Stock Exchange.

11%
Profit Before Tax to Turnover in 2014

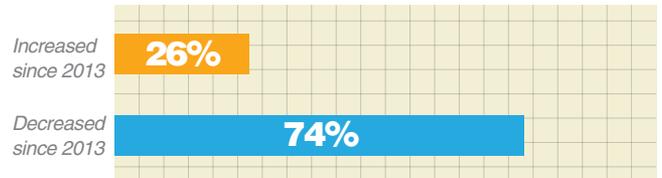


JUNE 2015 SECURITY ENVIRONMENT : SURVEY RESULTS

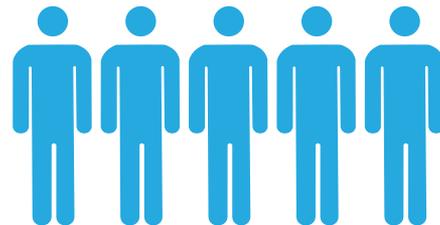
What is the general sentiment of staff members in their daily commute to/from office as compared to the previous same period?



What trend does your record show about security incidents?



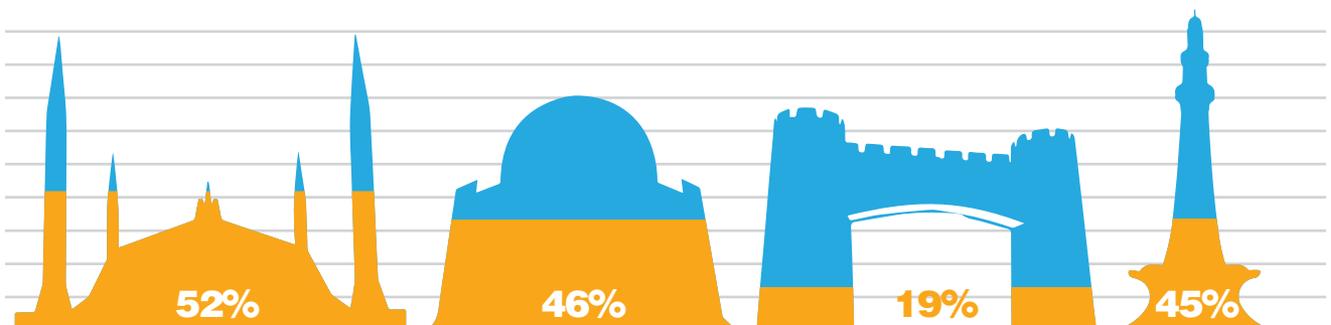
More overseas/expat visitors, including technical and professional staff, came to Pakistan during **January 2014 to April 2015** as compared to the previous same period.



Pakistan’s law and order situation is generally considered to be one of the top challenges facing foreign investors in recent years. OICCI conducted an internal survey in June 2015 amongst its members to gauge the existing perceptions of countrywide security situation versus 2013.

The survey reveals that 74% of the respondents experienced a reduction in security incidents. Furthermore, 54% have upgraded their internal security system and 29% are focusing on educating their staff in security measures/trainings. Consequently, 73% responded that their staff now feels more comfortable in their everyday commute to/from the workplace.

It would be of interest to members to note that 68% of the respondents reveal that more overseas/expat visitors, including technical and professional staff, came to Pakistan during January 2014 to April 2015 as compared to the previous same period and 85% reporting less than 10 visitors postponed such meetings due to security reasons. Moreover, 40% respondents say that less than 5 Board of Directors or management meetings, which used to be held in Pakistan until 2010 relating to business/operations in Pakistan, were organized elsewhere due to security concerns. This is a significant reduction as compared to the last survey done in 2012.



Companies in general, now feel more secure doing business and social engagements in Islamabad (52%), Karachi (46%) Lahore (45.5%), Peshawar (19%) and the rest of the country (37%) respectively. However, 30%-50% respondents reported no such change.

PHARMA BUREAU ACTIVITIES

Seminar on Ethics and the Future of Healthcare



The Pharma Bureau, a representative body of the research based multinational pharmaceutical companies in Pakistan, organized a conference on “Ethics and the Future of Healthcare” in Karachi. Senior health care professionals and industry leaders, including, Dr. Tipu Sultan, Dr. Shaheen Sheikh, Dr. Ahson Qavi and Dr. Abdul Bari gave speeches and participated in panel discussions on importance of integrity, the role of ethics & future of pharma industry as well as the industry-physician relationship. All participants agreed that compliance in the health spectrum involved going beyond laws and regulations, establishing new

approaches to stakeholder interactions and of building new relationships based on trust and shared values. They also reiterated that business practices should be primarily driven by values.

Mr. Arshad Saeed Hussain, Chairman, Pharma Bureau, highlighted the importance of ethics in pharmaceuticals and suggested that pharmaceutical companies and healthcare professionals should operate with the highest levels of ethics and integrity in every aspect, as this directly touches the lives of patients. These moral standards lead to greater responsibility and the relevance of ethics to pharmaceuticals and healthcare becomes even more paramount.

Ayse Burcu Acarer of Novo Nordisk, Turkey gave a presentation on the role of ethics and the future of the pharma industry which was followed by a very interesting interactive session involving participation of the audience.

Dr. Sania Nishtar of Heartfile delivered the

keynote address. “Regulatory challenges in the pharmaceutical sector have emerged over time due to under-resourcing of regulatory institutions and weak accountability mechanisms. These systemic constraints need to be addressed as a priority in order to achieve the goal of access to quality medicines; notwithstanding, we also need disruptive solutions, which have potential to spread a contagion of ethical behavior in the entire pharmaceutical value chain. Mass serialization of medicines with a concomitant drive to create stakeholder awareness offers such a disruptive solution. I strongly urge the industry to rally behind such a solution, which with civil society and media engagement can be truly a game changer” she said. She added “Integrity is the bedrock of the relationship between the private sector and the regulator. We must uphold that principle as a mechanism of safeguarding intended outcomes in the pharmaceutical sector, both from the access to medicines perspective as well as the commercial angle”. She also pinpointed the difficult regulatory environment in which pharmaceutical companies operated in Pakistan.

EVENTS AT THE CHAMBER



A business and trade delegation from Germany comprising of government officials, involved in commerce and investment promotion activities, and captains of Germany's Trade and Industry, visited OICCI on June 12, 2015. The delegation was headed by Christian Berger, Ambassador/Deputy Director General for Foreign Trade and Investment Promotion and Development policy. They were welcomed by Sarim Sheikh, Managing Committee Member and Chairman of the OICCI Communications and Media Relations Subcommittee.



The Chairman Intellectual Property Organization of Pakistan (IPOP) Mr. Shahid Rashid visited OICCI on June 11, 2015 for an interactive meeting with members. He was accompanied by Messrs. Aamir Hasan-Director General, Meesaq Arif-Director, Syed Nasrullah-Controller of Patents & Registrar of Designs and Dr. Abdul Qadir Orakzai-Registrar & Central Copyright Officer. The Chairman IPO-Pakistan and his team were welcomed by OICCI President, Atif Bajwa, Vice President, Khalid Siraj Subhani and MC member/Chairman IPR subcommittee, Shahab Rizvi.



The first OICCI CSR networking event for this term was organized on June 9, 2015. Four major stakeholders in the social sector, the Layton Rahmatulla Benevolent Trust (LRBT), Indus Hospital, Aman Foundation and World Wildlife Fund- Pakistan (WWF) were also invited to the session to make presentations of their respective organizations with the aim to create more awareness of their social work and to increase engagement between them and OICCI members.



Dr Muhammad Irshad, Chief Commissioner, LTU Karachi and Mr Nasir Masroor Ahmed Chief Collector, Appraisement Customs, attended the first FBR-OICCI Joint Committee meeting of 2015 held on May 20, 2015 at OICCI. The objective of these joint meetings, initiated with the approval of the FBR Chairman in 2013 is to maintain a good relationship between the FBR senior hierarchy in Karachi and Lahore with OICCI, and a forum for members to discuss taxation and custom issues which can be resolved at local levels.



H.E. Heather Cruden, High Commissioner of Canada to Pakistan along with Messrs Byram Avari, Honorary Consul General in Karachi and Athar Moeen Khan, Trade Commissioner OICCI on Wednesday, May 6, 2015, and were welcomed by the CE/Secretary General, M. Abdul Aleem.

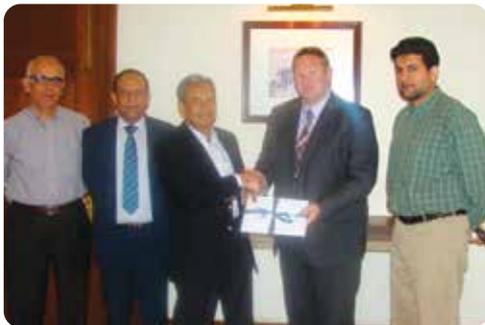
Raheal Ahmad Siddiqui, Chairman, Punjab Revenue Authority (PRA) discussing OICCI's 2015-16, Taxation Proposals submitted to the Punjab Government with members on May 6, 2015. CE/Secretary General, M. Abdul Aleem is also seen in the picture.



Tashfeen Khalid Niaz , Chairman and Mushtaque Kazimi, Advisor on Taxes, Sindh Revenue Board (SRB) in an interactive session with members on May 5, 2015 when OICCI's 2015-16 Taxation Proposals submitted to the Sindh government were discussed in detail. They were received by CE/Secretary General, M. Abdul Aleem.



HE Marcel De Vink , Ambassador of The Netherlands to Pakistan along with Rick Slettenhaar, First Secretary/Head Economic Affairs and Peter A. Felix, Commercial Officer, visited the OICCI on May 5, 2015. They were welcomed by OICCI MC Member Shahab Rizvi and CE/Secretary General, M. Abdul Aleem.



Thomas Rem Berdal, First Secretary (Political), Royal Norwegian Embassy, Islamabad being presented a memento by CE/Secretary General M. Abdul Aleem during his visit to OICCI on March 26, 2015.



Melanie Bixby, Executive Director of the US-Pakistan Women's Council, accompanied by Aaron "Tennessee" Carlton, Economic Officer, United States Consulate General, Karachi, visited OICCI on March 16, 2015, and was welcomed by the OICCI CE/Secretary General M. Abdul Aleem.



OICCI President Atif Bajwa and CE/Secretary General M. Abdul Aleem during the interactive session with senior members of the print media based in Lahore on Wednesday, March 25, 2015.



OICCI in partnership with CDLP, sponsored the Fair Trade and Deceptive Marketing Seminar in Karachi on February 10, 2015.



Thusantha Wijemanna, Director General, SAARC Arbitration Council, being presented a memento by CE/Secretary General M. Abdul Aleem during his visit to OICCI on March 17, 2015.

Daniela A. Ballard, Counsellor for Economic Affairs, Embassy of the United States of America, in Pakistan, Alexander R. Orr, Economic Officer and Fahd Zaidi, Economist of the US Consulate-General at Karachi, during their visit to the OICCI on February 10, 2015.



OICCI IN THE PRESS

DAWN
No new foreign investor entered Pakistan in recent years: OICCI

BUSINESS RECORDER
Karachi, Thursday 26 March 2015, 5 Jamadi-us-Sani 1436
OICCI president concerned over low-level of FDI

INTERNATIONAL THE NEWS
Thursday, March 26, 2015

سکونٹی، توانائی بحران غیر ملکی سرمایہ کاری میں رکاوٹ قرار
مقامی سرمایہ کاری میں تیزی سے کمی کی وجہ سے غیر ملکی سرمایہ کاری کی ضرورت ہو رہی ہے۔

Our Staff Reporter
ABHORE: The Overseas Investors Chamber of Commerce and Industry (OICCI) on Wednesday said that not a single new foreign investor had entered the Pakistani market in the past 10 years, a non-conducive business environment and implementation of government policies are the reasons.
During a meeting with the press, OICCI President Asad S. Jalair said that though business incentives in Pakistan were satisfactory but foreign investors were staying away and only existing investors/companies were expanding their operations.
He said that \$615 million foreign direct investment (FDI) in the first eight months of this fiscal year, which was reported by the central bank, was not even 10 per cent of the country's GDP and well below the world average. He said that despite very low recent FDI, the OICCI's members were investing in excess of \$1 billion annually in Pakistan, which had considerably dropped from around \$5.5bn annually since 2007-08. He said they represented 190 foreign investors from 35 countries who were operating in 14 key sectors of Pakistan's economy.
He said their investors contributed in excess of 80bn, about one third of the total tax revenue of Pakistan, and provided employment to an estimated 10 million persons.
Wednesday, January 28, 2015

TRIBUNE
MARCH 26, 2015
OICCI chief terms foreign investment unsatisfactory
The legitimate tax refunds of some 20 members, which in terms of value was less than two percent of their contribution to the exchequer, and sent wrong signals to the headquarters of such foreign investors.
"The government has taken a number of initiatives to stabilise the macro-economic situation with various procedures and problems economic on contract enforcement."
He told reporters on Wednesday, where Secretary General M Abdul Aleem was also present, about the factors impeding the investment, and the need for a more robust regulatory environment.
"The government has taken a number of initiatives to stabilise the macro-economic situation with various procedures and problems economic on contract enforcement."
He told reporters on Wednesday, where Secretary General M Abdul Aleem was also present, about the factors impeding the investment, and the need for a more robust regulatory environment.

OICCI commends govt on economic factors. Moreover, inadequate protection of Intellectual Property Rights (IPR) is also a key deterrent for new FDI in the country.
He recommended that the political leadership should live up to its responsibilities and ensure that the government is committed to protecting the rights of investors and providing a conducive business environment.

جنگ عظیم
غیر ملکی سرمایہ کاری میں رکاوٹوں کی جائیداد باجوہ
رواں مالی سال کے دوران صرف 61 کروڑ 30 لاکھ ڈالر کی برآمدات درآمد ہوئی ہیں۔

INTERNATIONAL THE NEWS
OICCI lauds formulation of IPOP Policy Board
By our correspondent
KARACHI: The Overseas Investors Chamber of Commerce and Industry (OICCI) on Tuesday congratulated the prime minister for appointing the members of the Intellectual Property Organization of Pakistan (IPOP) Policy Board, which had been pending since the enactment of the IPO Act in 2012, a statement said.

INTERVIEW WITH MR. M. ABDUL ALEEM, CEO, OICCI
KHALID AHMED (feedback@pgeconomist.com)
PAGE: Tell me something about yourself.
Abdul Aleem: By qualification, I am a Chartered Accountant (Gold medalist) and a Cost and Management Accountant. I have worked for over 30 years with two leading multinationals, both in Pakistan and overseas including last ten years as a CEO of British American Tobacco in Indian Ocean. Thereafter I have worked for five years in various corporations and my last position was as Managing Director of Oil. I am currently Secretary General of Overseas Chamber of Commerce and Industry.

OICCI welcomes appointment of IPOP Board members
KARACHI: The constitution of the Intellectual Property Organization of Pakistan (IPOP) Policy Board has been announced by the government. OICCI commends the government for taking this step, which is a positive signal for the protection of Intellectual Property Rights (IPR) in Pakistan.

CORDER
30 January 2015, 9 Rabi-us-Sani 1436
OICCI welcomes appointment of IPOP Board members
Businessmen confidence improves noticeably: OICCI survey
KARACHI: The constitution of the Intellectual Property Organization of Pakistan (IPOP) Policy Board has been announced by the government. OICCI commends the government for taking this step, which is a positive signal for the protection of Intellectual Property Rights (IPR) in Pakistan.

Businessmen's confidence has improved: OICCI
KARACHI: The Overseas Investors Chamber of Commerce and Industry (OICCI) on Tuesday said that businessmen's confidence has improved noticeably, according to a survey conducted by the chamber. The survey, which was conducted among 100 businessmen, revealed that 70 per cent of them were optimistic about the future of Pakistan's economy. OICCI President Asad S. Jalair said that the survey was a positive reflection of the government's efforts to improve the business environment.

DAWN
Wednesday, January 28, 2015
OICCI hails formation of IPOP's policy board
KARACHI: The Overseas Investors Chamber of Commerce and Industry (OICCI) on Tuesday expressed satisfaction over the appointment of members of the Intellectual Property Organization of Pakistan (IPOP) Policy Board, which had been pending since the enactment of the IPO Act in 2012. OICCI President Asad S. Jalair said that the formation of the board was a positive step towards the protection of Intellectual Property Rights (IPR) in Pakistan. He added that setting up of the board would go a long way in improving the intellectual property rights environment in the country and send strong signal to foreign investors who have been pleading for strengthening laws relating to protection of trade marks, patents and copyrights.

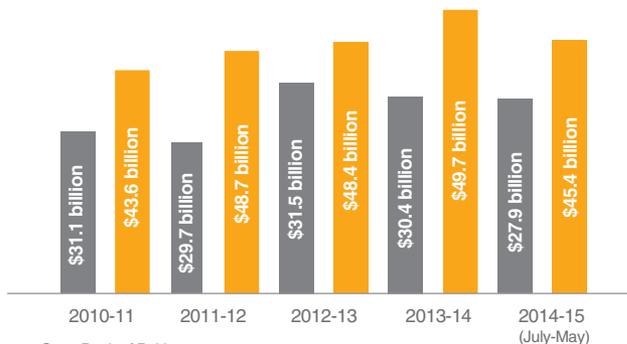
TRIBUNE
Survey reveals increasing business confidence
Taxation remains a thorn in govt's roadmap: Bajwa
1.5%
The survey, which was conducted among 100 businessmen, revealed that 70 per cent of them were optimistic about the future of Pakistan's economy. OICCI President Asad S. Jalair said that the survey was a positive reflection of the government's efforts to improve the business environment.

the Nation
IPR violations causing significant financial loss: OICCI
willing to introduce proprietary products in the markets that lack adequate IPR protection, it said.
OICCI recognises protection of IPR as a competitive advantage, and believes that the government should take steps to strengthen the IPR regime in Pakistan.

ECONOMIC INDICATORS

TRADE SUMMARY

Exports Imports

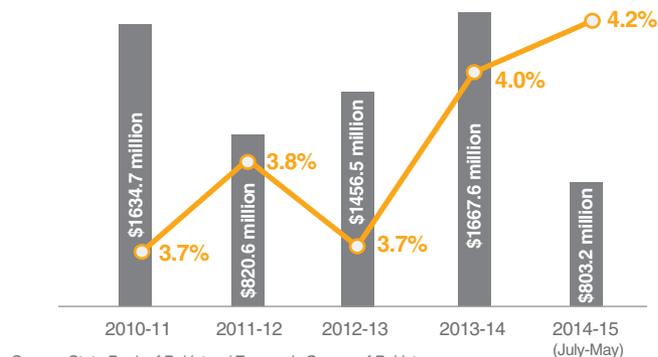


Source: State Bank of Pakistan

FDI TRENDS AND REAL GDP GROWTH

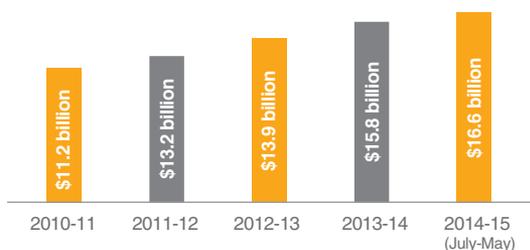
FDI

Real GDP Growth



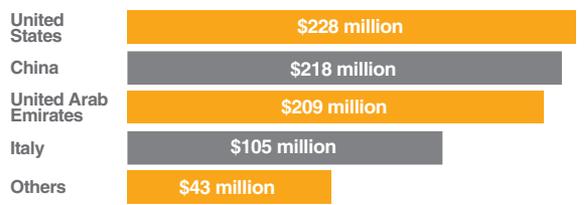
Source: State Bank of Pakistan / Economic Survey of Pakistan

INWARD REMITTANCES



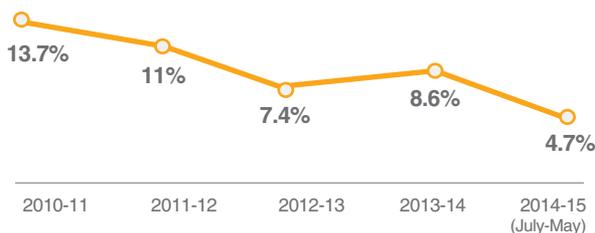
Source: State Bank of Pakistan

COUNTRIES CONTRIBUTING THE MOST FDI TO PAKISTAN (JULY-MAY 2015)



Source: State Bank of Pakistan

CPI GENERAL



Source: State Bank of Pakistan

SECTORS ATTRACTING THE MOST FDI IN PAKISTAN (JULY-MAY 2015)

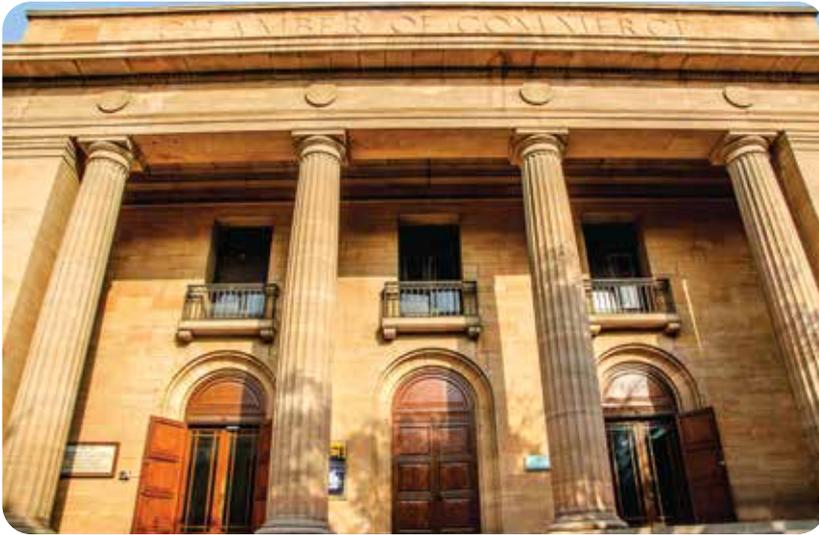


Source: State Bank of Pakistan

Foreign Exchange Reserves (\$ Billion)	Year	Average Exchange Rates - USD
18.24	30-June-2011	86.08
15.28	29-June-2012	94.72
11.02	28-June-2013	99.21
14.14	30-June-2014	98.90
18.20	26-June-2015	101.89

Source: State Bank of Pakistan

OICCI BUILDING AVAILABLE FOR RENT



The first floor in the OICCI Building measuring approximately 13,200 square feet, out of which 1,200 square feet can be separated and accessed independently, is available for rent. Located on Talpur Road, adjacent to I. I. Chundrigar Road, the 85 year old heritage structure stands proudly at the centre of Karachi's business hub and at walking distance from the State Bank of Pakistan as well as the Head Offices of many leading organization and financial institutions in the country.

The overall environment and facilities available at the premises are as per the standards of health and safety conditions necessary for a productive working atmosphere. The building has wide spacious rooms, high roofs, elegant wood work, and wooden doors. Car parking facility for 25-30 cars will be included in the tenancy agreement.

FACILITIES AVAILABLE FOR MEMBERS

Members may utilize the Main Council Hall which can accommodate 75-80 persons and board room (10-15 persons), which can be used for holding AGMs, EGMs, Conferences, Seminars, Corporate Training Sessions, and Workshops etc. Members can also utilize the state-of-the-art Video Conferencing and Multimedia facilities available at the chamber at reasonable rates.



OVERSEAS INVESTORS CHAMBER OF COMMERCE & INDUSTRY (OICCI)

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Twitter : [@oicci_pakistan](https://twitter.com/oicci_pakistan)



If you have a specific matter to discuss, you may direct your queries and feedback to the relevant department.

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